

Service Date: January 5, 1989

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER Of The Application of)	UTILITY DIVISION
MONTANA-DAKOTA UTILITIES COMPANY to)	
Revise The Language of Gas Trans- )	DOCKET NO. 87.1.8
portation Rates 81, 82 and 97. )	
IN THE MATTER of the Application of)	
MONTANA-DAKOTA UTILITIES COMPANY to)	DOCKET NO. 87.12.77
Revise Rates 81, 82 and 90, and to )	
Implement New Rates 62, 72 and 83. )	
IN THE MATTER of the Application of)	
MONTANA-DAKOTA UTILITIES COMPANY to)	
Revise Rates 60, 70, 81, 82, 85, )	DOCKET NO. 87.10.78
90 and 97 to Establish a Minimum )	
Usage Prior to the Application of )	
the Supercompressibility Factor. )	
IN THE MATTER of the Application of)	
MONTANA-DAKOTA UTILITIES COMPANY )	DOCKET NO. 87.10.59
to Revise Rates 117 and 124. )	
IN THE MATTER of the Application of)	DOCKET NO. 87.3.15
MONTANA-DAKOTA UTILITIES COMPANY )	
to Revise the Electric and Gas )	
Service Rate 114. )	ORDER NO. 5379a

ORDER ON RECONSIDERATION

BACKGROUND

On November 18, 1988 the Commission issued Order No. 5379 in Docket Nos. 87.1.8 et al. The Commission's order established a floor price for gas transportation Rate 82 of \$.20/Mcf.

On December 9, 1988 MDU filed a Motion for Reconsideration of Order No. 5379. MDU argues in its Motion that the Commission should reconsider the \$.20/Mcf floor price for Rate 82, established in Order No. 5379, and lower the floor price to \$.09/Mcf for transmission level customers. MDU derived the \$.09/Mcf figure by subtracting the line loss factor and rounding adjustment that comprised part of the \$.20/Mcf floor price. Western Gas Processors filed a late Motion for Reconsideration that seeks a reduction in the \$.20/Mcf floor to substantially the \$.09/Mcf level that MDU seeks.

#### ORDER

On reconsideration the Commission will grant MDU's Motion and hereby establishes a floor price under MDU Rate 82 of \$.09/Mcf for transmission level customers served under that rate. Transmission level customers are those that require a negligible amount of distribution plant.

The Commission grants MDU's Motion subject to the following conditions: First, as with the balance of Order No. 5379, the

\$.09/Mcf floor price will terminate at the end of 15 months along with the other gas transportation prices. See Finding Nos. 50-53, Order No. 5379. Second, because the issue of unbundled floor prices for Rate 82 was not an explicitly raised issue in Docket No. 87.12.77, the merits of cost-based and unbundled floor and ceiling prices must also be addressed by MDU within 15 months. The 15 month period will run from November 18, 1988.

The effective date of this Order is December 16, 1988.

Done and Dated this 16th day of December, 1988 by a vote of 4-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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CLYDE JARVIS, Chairman

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JOHN B. DRISCOLL, Commissioner

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HOWARD L. ELLIS, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Commission Secretary

(SEAL)

NOTE: You may be entitled to judicial review in this matter. Judicial review may be obtained by filing a petition for review within thirty (30) days of the service of this order. Section 2-4-702, MCA.